

## Colchester Community and Economic Development Advisory Council (CEDAC) Minutes December 17, 2009

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Members Attending: David Usher, Chair, Nanci Glindmyer, Vice-Chair, Mike Mazza, James Ehlers, Joe Egan, Bill Peters, J. Churchill Hindes, Deborah Winters. Absent: Paul Olsen. Others: Kimberly Murray, Moe Germain, Peter Hill, Sarah Hadd, Tom Raub, Dick Mazza, Kristy Spengler, Jim Condon, Kevin Marchand, Theresa Carroll, Pam Loranger, Lisa Halvorsen, Patrick Brennan.

### Legislative Breakfast

Representatives Patrick Brennan, Kristy Spengler (left early), Jim Condon, and Senator Dick Mazza attended.

Dave welcomed everyone to the meeting and facilitated the discussion. He referred to the bullet points the CEDAC drafted in preparation of the meeting of issues important to Colchester businesses for the upcoming legislative season.

Transportation- Dave mentioned the recent Exit 16 study recently completed and what are the state priorities. Senator Mazza noted the Addison Bridge was a priority and that public transit issue needs to be addressed. Other towns are contributing, so should Colchester. The relationship with CCTA and the Select Board needs to improve. Pam Loranger thought the Bay should be a destination.

Funding issues- Dave mentioned several including the unemployment insurance trust fund and school funding. Representative Condon mentioned the changes in the unemployment fund will likely be an increase in premiums, tightening the eligibility requirements, and freezing benefits. It's been underfunded so far and Senator Mazza noted that there is also a lot of fraud. Dave mentioned there is a loophole that allows some retired persons to collect unemployment. There will likely be legislation on this issue this year and perhaps make being unemployed more unattractive. Bill noted that as an employer they look to minimize employment by increasing technology, it is cheaper than all the costs associated with an employee.

School Funding Reform- Will there be? Rep. Condon noted that 80% of the costs of schools are staffing and the costs continue to increase as the number of pupils decreases. Moe Germain was part of the Legislative summer study that met six times and came out with no support for any proposals. Now, there is not enough growth of the grand list to support the increasing costs and taxing the community. There is no capping on the rebate check program, two thirds of Vermonter receive one. One problem is some folks are living in million dollar homes on the Lake and getting rebate checks because of a loophole in the income sensitivity measure. We need to look at how we measure wealth by property value not income. It is interesting to see just how many people's income come in just under the \$91,000 limit. Surpluses from the education tax should go back to the towns. The Tax Commissioner is touring around with a good presentation explaining the situation and is meeting with the Rotary Club today at lunchtime at the Hampton Inn. He proposes no solution but discusses where all the money is going.

Another loophole issue is the very loose definition of farmer and needed changes to the current use laws which loggers and foresters do not support any changes. Most current use lands are in richest towns like Stowe.

Senator Mazza noted that the schools in the Islands should be combined for fiscal reasons but local control is strong and towns are not willing to make the changes. Dave asked why school funding can't be capped at the state level. The teacher ratio of 10.9/1 is the highest in the country. Nancy asked why teachers can't become state employees and offer baseline salaries to get costs under control. Representative Brennan said there is a heavy daily lobbying effort from the National Educators Union.

Dave asked what the top three legislative issues would be and definitely the reauthorization of VT Yankee would be on the list. Businesses support it but there is heavy lobbying effort against it from organizations like VPIRG and VNRC.

Dave asked James to talk about Lake Champlain funding issues. Malletts Bay is important to Colchester's economic base and the tourist economy in the State. We will receive 6.5 million in Federal monies for cleaning up the Lake but really it is only enough to keep it from getting worse. To have the Bay as a destination we need to focus on water quality. Senator Mazza asked James the number one problem to fixing the Lake. He feels it is collective ignorance. Everyone thinks that everyone else is polluting it. Legislators need to talk to their peers inland and take ownership of what is going into the rivers which flow into the Lake. The Town is doing an Integrated Water Management Study of the Bay's onsite sewage disposal systems and there is a website: [colchesterwaters.net](http://colchesterwaters.net) to learn more.

Dave noted there will be an estimated 150 million shortfall this year and 300 million over the next two year. Why is there a 3.5% increase in the State budget? Rep. Condon noted the increases in medicare/Medicaid, the employees retiring, extra payroll week for the year 2010 for employees and vendors, and an increase in insurance premiums. Senator Mazza said this is an opportunity to look at programs and re-evaluate, which is not a bad thing. Human Services is a big piece of State government and we need to reduce the abuse to the programs and consolidate. We need to streamline the environmental permit process. It takes too much time and there is too much uncertainty in getting the permits.

Pam Lorenger said that protecting all the prime agricultural land is restricting development in Colchester, farmers can't make the same revenues they used to. Sarah Hadd mentioned the Town was currently in litigation over this issue and hopes to see something resolved soon. Bill said it seems there are more environmental groups involved then economic groups. James said there is little incentive to grow your business here.

Dave thanked everyone for a great discussion and the CEDAC will continue to sponsor these events and to keep in touch with our legislators during the season.

#### Other Business:

The minutes from November were tabled until the January 21<sup>st</sup> meeting.

Respectfully submitted by,  
Kimberly L. Murray, AICP